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2006 FEB 13 P 4: 59

AZ CORP COMMISSION  
DOCUMENT CONTROL**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE APPLICATION  
OF ARIZONA WATER COMPANY, AN  
ARIZONA CORPORATION, TO EXTEND  
ITS EXISTING CERTIFICATE OF  
CONVENIENCE AND NECESSITY AT  
CASA GRANDE, PINAL COUNTY,  
ARIZONA

DOCKET NO. W-01445A-05-0469

**RESPONSE TO GLOBAL'S  
EXCEPTIONS**

Arizona Water Company (the "Company") files its response to the Exceptions filed by Palo Verde Utilities Company and Santa Cruz Water Company (collectively, "Global") to the Recommended Opinion and Order ("ROO") in the above-captioned matter. For the reasons provided below, the Commission should reject Global's Exceptions, whether they are styled as Exceptions or Comments to the ROO.

**GLOBAL IS NOT A PARTY TO THIS MATTER**

Global Water Resources, LLC, is an entity that is not regulated by this Commission (See Global's Motion to Intervene (February 9, 2006) Exceptions page 1). The hearing in this matter was held on December 9, 2005. Before that, various Procedural Orders and the operation of the Commission's own regulations set deadlines on intervention and public comment in this case. Global did not file an application to intervene in, did not seek to be a party, and was not and should not now be a party to this proceeding. Now, at the hour, Global seeks to force itself into these proceedings in

1 an attempt to change the ROO to siphon off CCN territory included in an application that  
2 Global filed on December 28, 2005, well after the hearing in this matter was held, and  
3 after the record in this matter was closed. As a matter of law, Global has no standing to  
4 present any of alleged "facts" in this matter, and as a matter of public policy, the  
5 Commission should not consider anything now suddenly asserted in late filings by  
6 Global.  
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8 The Commission, at a minimum, should insist that the utilities it regulates comply  
9 with standard Commission procedure. In this case, as is the Commission's practice, a  
10 procedural order was entered on September 26, 2005, more than two months before  
11 the hearing, setting a hearing date and a deadline for intervention. Unlike, for example,  
12 the City of Eloy, or Global nor the property owner it wants to serve ever intervened or  
13 participated in this case.  
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15 Since Global is not a party to this matter, it has no standing to present any  
16 objections, or to be heard at all. First, Global ignores and mocks this Commission's  
17 procedural orders and regulations in seeking to do so. Second, in order to have  
18 standing, a party must have been injured in fact by the action that the party seeks to  
19 have reviewed. *Bernally v. Hodel*, 940 F.2d 1194 (C.A. 9 (Ariz.) 1990). Global fails to  
20 satisfy this minimum standard.  
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22 Global has provided no explanation for its failure to comply with the  
23 Commission's long-standing procedural requirements, and the Commission should  
24 reject what appears to be Global's "thumbing its nose" at Commission's procedures  
25 basically as suggestions, and seeking relief without following the rules that others must  
26 follow.  
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1                                   **GLOBAL'S "NEW FACTS" HAVE NO MERIT**

2           At page one of their Exceptions, Global alleges that the record in this case is  
3 incomplete and that certain "new facts" should now be considered. Global's contentions  
4 should be rejected.

5           First, the record in this case is closed. Aside from Global not having bothered to  
6 participate in this proceeding until now, it is too late for the record to be supplemented  
7 by a non-parties. Second, most of the new facts are either incorrect or irrelevant.  
8 Whether Parcel 1 is in the City of Casa Grande's planning area is irrelevant, and either  
9 way, the City of Casa Grande did not object to the Company's application, as the  
10 Company is the water provider in Casa Grande. Third, whether or not Global received  
11 a request for service is irrelevant, as the Staff has not found their application to be  
12 sufficient and, in fact, has just noted sweeping and substantial insufficiencies in the  
13 application by letter dated February 8, 2006; as such, there is no certainty that their  
14 applications will be approved or unopposed. Fourth, Global have no standing to  
15 represent themselves in this matter, much less purporting to promote the alleged  
16 interests of a landowner that never intervened or objected to service by Arizona Water  
17 Company despite receiving notice of the filing of the Company's application and the  
18 December 9, 2005 hearing in this matter.

19           Accordingly, Global's new "facts" should not be given any weight by the  
20 Commission.

21                                   **THE COMPANY IS SERVING CUSTOMERS IN PARCEL 1**

22           The Company presented evidence at the hearing that it is serving over 200  
23 customers in Parcel 1, and has a water distribution system in the area. As the ROO  
24 recognized, and as the Staff recommended, in view of the complete lack of objections to  
25 the Company serving all of Parcel 1, and in recognition of the Company's long-standing  
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1 presence in the area, the Company should be certificated to serve Parcel 1. Global's  
2 tardy allegations that Parcel 1 would be a dormant certificated area are completely  
3 unsupported by the record and the day-to-day reality of service to that area. There is no  
4 need for requests for service where the Company is already serving over 200  
5 customers, as the Staff and the ROO recognize. Global is simply trying to serve their  
6 own interests in a harmful, competitive way, rather than serving the greater public  
7 interest.  
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### 9 **GLOBAL'S POSITION DOES NOT RESPECT LANDOWNER**

#### 10 **INTERESTS**

11 It is abundantly clear from reading Global's Exceptions that Global's real interest  
12 is in promoting the monetary interests of their unregulated parent entity, not the  
13 interests of landowners and ratepayers. As stated above, there were no landowner  
14 objections to the Company being certificated to serve Parcel 1, and the interests of  
15 those landowners would not be served by permitting Global to suddenly inject  
16 themselves into this proceeding at this late stage<sup>1</sup>. Global supposedly represents the  
17 interest of but one landowner, but that landowner did not appear in or object to the  
18 Company's application. Furthermore, Global incorrectly assumes that its recent  
19 application -- filed three weeks after the Company's application was heard, and the  
20 record closed -- would be unchallenged by anyone, such as the Company, and  
21 approved without change by the Commission. In addition, the Company can serve the  
22 landowner mentioned in Global's exceptions.  
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#### 27 **CONCLUSION**

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<sup>1</sup> "There is no request for service attached. The letter indicates only a lack of objection.

1 The hearing in this matter has concluded, and the record is closed. The  
2 Commission should reject the arguments of non-parties like Global, and should accept  
3 the ROO as written, including the recommendation of the approval of the Company's  
4 application with respect to Parcel 1.

5  
6 RESPECTFULLY SUBMITTED this 13th day of February, 2006.

7  
8 ARIZONA WATER COMPANY

9  
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14 Original and thirteen (13) copies of the foregoing filed this 13<sup>th</sup> day of February 2006  
15 with:

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18 A copy of the foregoing was hand-delivered this 13th day of February 2006 to:

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